



Major Economic News

- A total of 1.9mn pilgrims performed Hajj in FY23. The Kingdom received 1.7mn foreign pilgrims (90% of the total) and 184,100 domestic pilgrims (10% of the total), respectively. Minister of Hajj and Umrah, Tawfig Al-Rabiah, announced the timeline for next Hajj season. Visas will be issued from March 1, 2024, until April 29, 2024. Then, the Kingdom will start receiving pilgrims as of May 9. (Source: Argaam)
- Assets held by SAMA increased by SAR 49.5bn M/M to SAR 1.9tn in May. When compared to May 2022, SAMA's assets grew by around SAR 7.5bn. SAMA's investments in foreign securities, which account for 54% of its total assets, dropped 8% Y/Y to around SAR 1.0tn last month. (Source: Argaam)
- The unemployment rate among Saudis increased to 8.5% in Q1-23, compared to 8.0% in Q4-22. Meanwhile, the overall unemployment rate in the Kingdom (Saudis and non-Saudis) reached 5.1% in Q1-23 compared to 4.8% in Q4-22. (Source: Argaam)

Major Corporate News

- National Agricultural Development Co. announced a foray into the Kingdom's red meat market in collaboration with Minerva Foods, a producer with a global footprint in the production and export of red meat. (Source: Tadawul)
- ACWA Power shareholders approved the board of directors' recommendation to distribute an 8.3% cash dividend, or SAR 0.83 per share, for FY22. They also approved the buyback of two million shares, to be allocated for the employee stock incentive program. (Source: Tadawul)

Market Analysis

- The Saudi Stock Exchange decreased 0.1% to 11,459.0 on 22nd June, 2023. The value traded stood at SAR 6.3bn (up 17.3% over previous day), while the advance-decline ratio stood at 95/124. The parallel market index decreased 4.1% to 26,147.9 points. The value traded stood at SAR 33.9mn (up 21.4% over previous day). Most sectors in the main market ended in the green. Transportation and Software & Services (up 1.2% and 1.1%, respectively) advanced the most; Pharma & Bio Tech and Media (down 8.1% and 3.9%, respectively) led the laggards.

Top Gainers

Company	Price	Change%
FIRST MILLS	70.50	17.5
ALHOKAIR GROUP	2.76	9.5
ALMAWARID	94.90	7.8
SASCO	58.40	6.0
FITAH GROUP	38.30	5.8

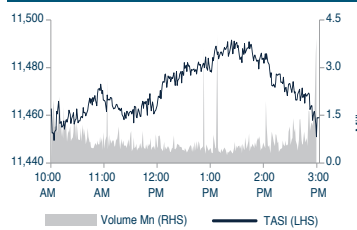
Top Losers

Company	Price	Change%
ALARABIA	178.00	-8.3
SPIMACO	38.05	-8.1
ARABIAN SHIELD	19.86	-6.4
JAZIRA TAKAFUL	18.78	-6.1
MRNA	14.12	-5.5

Saudi Stock Exchange

Index	Closing	High	Low	Daily Change%	YTD %
TASI	11,459	11,462	11,445	-0.1	9.4
NomuC	26,148	27,679	27,679	-4.1	34.7

TASI movement during session



TASI Ratios

P/E* (x)	21.5
Price-to-Book (x)	2.3
Dividend Yield (%)	2.6
Return on Equity (%)	25.1

*Source: Argaam (Excluding Aramco)

Index	Close	Daily Change%	YTD %	PE (TTM)
Energy	6,051	0.1	11.5	13.7
Materials	6,625	0.2	5.3	21.7
Capital Goods	7,596	-1.7	45.3	21.5
Commercial Service	4,472	0.0	30.2	32.8
Transportation	6,203	1.2	36.6	High
Consumer Durables	5,575	0.5	32.0	Neg
Consumer Services	5,235	0.7	41.8	50
Media	24,378	-3.9	13.4	25.8
Retailing	8,288	0.4	15.5	23.9
Food & Staples	10,582	0.3	23.9	21.8
Food & Beverages	5,937	-1.1	28.0	33
Healthcare	11,950	-0.4	31.2	High
Pharma & Bio Tech	5,020	-8.1	74.7	Neg
Banks	11,278	0.0	-2.3	14.1
Diversified Financial	6,943	-1.8	9.1	32.6
Insurance	7,525	0.5	41.5	High
Telecom	7,987	-0.6	25.0	17.8
Utilities	7,782	0.5	8.5	14.3
REITs	3,885	0.0	-2.3	31.2
Real Estate	3,306	0.0	32.2	High
Software & Services	55,453	1.1	54.5	40.2

Average Index Value

Average days 5	Average days 10	Average days 20	Average value traded for the month (bn)
11,452	11,454	11,329	6.34

Market Statistics

	Value Traded (SAR bn)	Volumes (mn shares)	No. of Trades ('000)
Current Week	-	-	-
Previous week	28.9	1,415.50	2,076.70

Top Weighted Companies

Company	Price	Change%
Saudi Aramco	32.25	0.2
Al Rajhi	73.00	0.1
SNB	36.80	0.3
SABIC	88.20	-0.1
STC	43.50	-0.8

Regional and International Markets

- Among other regional markets, Dubai closed flat, while Abu Dhabi decreased 0.1%. Qatar, Egypt, Kuwait, Oman and Bahrain rose 2.4%, 2.2%, 0.6%, 0.4% and 0.1%, respectively.
- According to Baker Hughes, North America's rig count decreased to 841 in the week ended June 30 from 851 earlier. The rig count fell to 674 in the US from 682 earlier, while remained unchanged at 18 in the Gulf of Mexico. The rig count in Canada decreased to 167 from 169 earlier. (Source: Baker Hughes)
- US GDP expanded 2.0% in Q1-23 (consensus: an increase of 1.3%) compared to the previously estimated 1.3% increase. The stronger than previously estimated growth reflected upward revisions to exports and consumer spending. (Source: RTT News)
- The annual growth rate of US consumer prices slowed to 3.8% in May (consensus: an increase of 4.6%) from 4.3% in April. On an M/M basis, consumer prices rose 0.1% in May. (Source: RTT News)
- US initial jobless claims fell to 239,000 (consensus: 270,000) in the week ended June 24, down 26,000 from the previous week's revised level of 265,000. (Source: RTT News)
- Oil prices gained 0.8% on Friday driven by the data indicating easing of US inflation.
- Gold prices rose 0.6% on expectations that lower chances of rate hike in July after softer inflation data.

Forex / Currency

Currency / USD	Close	Daily Change%	MTD %	YTD %
Dollar Index	102.91	-0.4	-1.4	-0.6
Euro	1.09	0.4	2.1	1.9
Japanese Yen	144.31	-0.3	3.6	10.1
Sterling Pound	1.27	0.7	2.1	5.1
Chinese Yuan	7.27	-0.0	2.1	5.0
Indian Rupee	82.04	-0.0	-0.8	-0.8
UAE Dirham	3.67	0.0	0.0	0.0
Qatari Rial	3.65	-0.0	-0.0	-0.7
Kuwaiti Dinar	0.31	0.1	-0.0	0.5
Omani Rial	0.39	0.0	0.0	0.0
Bahraini Dinar	0.38	0.0	0.0	-0.0
Egyptian Pound	30.90	-0.0	-0.0	24.8

Corporate Calendar

Date	Company	Event
2 nd Jul	BCI	Cash Dividend Distribution
2 nd Jul	ALHAMMADI	Eligibility for Cash Dividend
3 rd Jul	Kingdom	Eligibility for Cash Dividend
4 th Jul	ALBAHA	EGM
4 th Jul	TANMIAH	Cash Dividend Distribution
5 th Jul	GASCO	Eligibility for Cash Dividend

*EGM: Extra Ordinary Meeting

*OGM: Ordinary General Meeting

Regional Markets

Market	Close	Daily Change%	MTD %	YTD %	P/E
Dubai (DFM)	3,792	0.0	6.0	13.9	9.2
Abu Dhabi (ADX)	9,550	-0.1	1.5	-7.0	15.9
Kuwait (KSE)	7,809	0.6	4.2	-3.8	11
Qatar (QE)	10,075	2.4	-0.8	-5.7	11.6
Oman (MSM)	4,768	0.4	3.1	-1.8	10.4
Bahrain (BSE)	1,958	0.1	-0.3	3.3	7.4
Egypt (EGX30)	17,665	2.2	1.0	21.0	6.3

International Markets

Index	Close	Daily Change%	MTD %	YTD %	P/E
Dow Jones	34,408	0.8	4.6	3.8	19.9
Nasdaq	15,179	1.6	6.5	38.8	33.4
S&P 500	4,450	1.2	6.5	15.9	21.3
FTSE 100	7,532	0.8	1.1	1.1	10.5
Germany DAX 30	16,148	1.3	3.1	16.0	13.2
France CAC 40	7,400	1.2	4.2	14.3	12.7
Japan Nikkei 225	33,189	-0.1	7.5	27.2	32.3
Russia MOEX	2,797	0.0	2.9	29.9	3.7
Hong Kong Hang Seng	18,916	-0.1	3.7	-4.4	9.7
South Korea KOSPI	2,564	0.6	-0.5	14.7	15.1
China Shanghai Composite	3,202	0.6	-0.1	3.7	14.3
Australia ASX 200	7,203	0.1	1.6	2.3	14.7
India Sensex	64,719	1.3	3.3	6.4	24.1
MSCI EM	989	0.2	3.2	3.5	12.9
MSCI World	2,967	1.1	5.9	14.0	18.5

Commodity Markets

Commodity	Price	Daily Change%	MTD %	YTD %
Arab Light Crude (\$/bbl)	78.37	1.0	4.9	-7.0
Brent Crude (\$/bbl)	74.90	0.8	3.1	-12.8
Texas crude (\$/bbl)	70.64	1.1	3.7	-12.0
Natural Gas (\$/mmbtu)	2.80	3.6	18.7	-32.8
Gold (\$/oz)	1,919.35	0.6	-2.2	5.2
Silver (\$/oz)	22.77	0.9	-3.0	-4.9
Steel (\$/ton)	881.00	-0.5	-5.7	18.4
Iron Ore (CNY/MT)	885.50	0.2	13.7	3.3
Wheat (\$/bu)	651.00	-2.5	7.1	-19.6
Corn (\$/bu)	494.75	-6.4	-5.2	-19.0
Sugar (\$/lb)	22.79	3.2	-7.9	27.9
SMP* (EUR/MT)	2,442.00	0.9	0.9	-12.0

*SMP: Skimmed Milk Powder

Interbank Rates

Region	Rate*	Daily Change(bps)	MTD (bps)	YTD (bps)
KSA (SAIBOR 1M)	5.65	0.0	7.8	92.5
KSA (SAIBOR 3M)	5.95	0.1	4.8	61.1
KSA (SAIBOR 6M)	5.94	1.2	11.4	34.7
KSA (SAIBOR 12M)	5.92	-0.1	10.2	5.0
USD (LIBOR 3M)	5.55	1.2	2.9	77.8
UAE (EIBOR 3M)	5.17	-5.8	-5.6	85.8

Data Sources: Tadawul, Bloomberg, Reuters
Closes as of June 30, 2023

Technical observations	
Index	TASI
Ticker	SASEIDX Index
Last Close	11,459
Short-term view	Buy
52 weeks high/low	13,949 – 9,931

Market data	
Exchange Market Cap. (SAR bn)	10,906.3
Value (SAR mn)	6,331.7
Volume (mn)	235.1
Number of Transactions	429,889
Market Breadth	95 : 124

Key statistics	
1D return %	-0.06%
MTD return %	4.04%
QTD return	8.20%
YTD return	9.36%
ADT vol. 3M* (mn)	212.1
ADT val. 3M (SARmn)	5,882.5

*ADT stands for Average Daily Traded

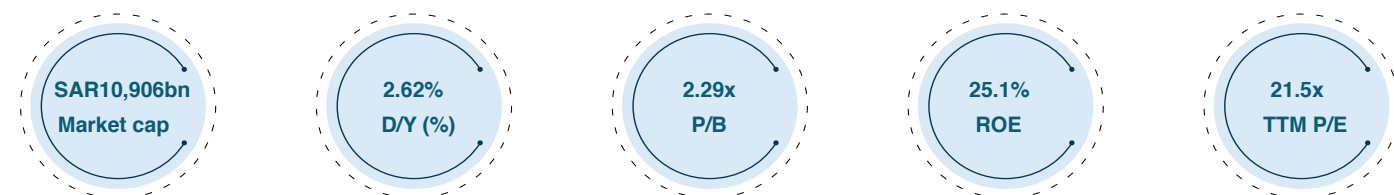
TASI market commentary

- TASI witnessed a marginal decline on Thursday which was led by index heavyweight Telecommunication services (-0.61% D/D) and Banks (-0.04% D/D) sectors. At close, the Saudi market ended the day with a change of -0.06% at 11,459. In terms of activity, total volumes and value traded were ~235mn and ~SAR 6.3bn respectively. The advance-decline ratio came in at 95/124.

Technical outlook

- TASI closed near 11,459 after losing only 7 points. The index after bouncing off the support level of the prior short-term peak near 11,340, started to experience some profit booking attitude. TASI formed a Doji candlestick in the last session which still needs a following bearish candle to confirm that the profit booking attitude may extend further. Moreover, TASI is still laying above its 10-day SMA near 11,458 tipping the odds in favor of a further rise toward the prior minor peak near 11,570. Meanwhile, the RSI indicator still hovers inside the bullish territory above its 50 level. TASI currently has immediate resistance near 11,570 near the level of 127.2% Fibonacci retracement. If penetrated, the next one is expected to lay near 11,730 near the 161.8% Fibonacci retracement followed by 11,800. On the other hand, immediate support is seen at around 11,450 followed by 11,390 followed by the level of 11,340. If breached, the index would be expected to meet the next support near 11,250. Traders are advised to buy as long as the index respects the significant support level of 11,340.

Key price levels						
S3	S2	S1	Pivot	R1	R2	R3
11,250	11,340	11,390	11,450	11,570	11,730	11,800



Source: Bloomberg, Argaam

TASI daily chart



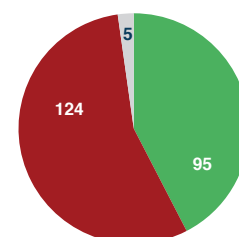
Source: Tradingview, Aljazira Capital

Our view



Market depth

Unchanged
Up
Down



SAUDI MARKET - TOP PICKS FOR THE WEEK

Code	Company	Close*	Buy range	Target 1	Target 2	Reward %	Stop loss
7200	Al Moammar Information Systems Company	155.20	155.20 – 153.65	158.00	167.40	7.86%	149.80

* As of 22nd June 2023

* Note – Stop loss is based on a closing basis and not an intraday basis

CHARTS OF THE WEEK

Technical observations

MIS finished a continuation flag price pattern after penetrating its 10-day SMA. Moreover, the volume and the RSI indicator are showing a bullish structure confirming the price action. We recommend buying the stock in a range of SAR155.20 – 153.65, for a target of SAR158.00 followed by SAR167.40, with a stop loss below SAR149.80 on a closing basis.

Al Moammar Information Systems Company (MIS)



Source: Tradingview, AlJazira Capital

Head of Sell-Side Research

Jassim Al-Jubran

+966 11 2256248

j.aljabran@aljaziracapital.com.sa

Candlestick: A candlestick (candle) is a type of price chart used to display the high, low, opening, and closing prices of a security for the period under consideration.

Support: This is the price level at which demand is strong enough to avoid any further price decline.

Resistance: This is the price level at which supply is strong enough to stop any further price increase.

Pattern/formation: This is a plot of a security's price activity over a certain period that can be used to identify potential trends, reversal of trends, price targets, entry and exit points, etc. There are various formations – such as head & shoulders, triangles, flags, etc.

Simple moving average: A simple moving average is formed by computing the average price of a security over a specific number of periods. Moving averages are based on closing prices.

Relative strength index (RSI): RSI is a momentum indicator that compares a security's price gains to its losses for a predetermined number of periods (generally, 14 periods are used). The RSI attempts to point out how security, in relative terms, is in the overbought/oversold zone.

Moving average convergence/divergence (MACD): MACD is a trading indicator that shows changes in the strength, direction, momentum, and duration of a trend in a stock's price through a collection of three- time series calculated from historical closing prices.

Fibonacci retracements: These are horizontal lines that indicate the expected areas of support/resistance for a security based on a predetermined price movement. These are usually indicated by Fibonacci ratios of 23.6%, 38.2%, 50.0%, 61.8%, and 100% from that movement.

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